



Batts Morrison  
Wales & Lee

CERTIFIED PUBLIC ACCOUNTANTS

Association of Baptists for World Evangelism, Inc.  
d/b/a ABWE International

Consolidated Financial Statements

For The Years Ended December 31, 2023 and 2022



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CERTIFIED PUBLIC ACCOUNTANTS®

## REPORT OF INDEPENDENT AUDITOR

The Board of Directors  
Association of Baptists for World Evangelism, Inc. d/b/a ABWE International  
New Cumberland, Pennsylvania

### **Opinion**

We have audited the accompanying consolidated financial statements of Association of Baptists for World Evangelism, Inc. d/b/a ABWE International (“ABWE”), which consist of the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Association of Baptists for World Evangelism, Inc. d/b/a ABWE International as of December 31, 2023 and 2022, the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of ABWE and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ABWE’s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of ABWE's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ABWE's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental consolidating statements of financial position as of December 31, 2023 and 2022, and the related supplemental consolidating statements of activities for the years then ended are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Batts Morrison Wales & Lee, P.A.*

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida  
May 30, 2024

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS		December 31,	
		2023	2022
<b>ASSETS</b>			
Cash and cash equivalents	\$	3,509,598	\$ 7,415,911
Cash designated for health insurance reserves		1,400,751	1,267,450
Cash restricted for long-term purposes		522,245	871,987
Investments		57,822,645	50,875,395
Investments held in trust		4,029,558	3,641,112
Other assets		2,137,315	1,508,717
Property and equipment, net		8,123,809	8,072,946
<b>Total assets</b>	<b>\$</b>	<b>77,545,921</b>	<b>\$ 73,653,518</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$	2,619,434	\$ 2,662,162
Net pension obligation		7,898,196	9,615,932
Trust liabilities		3,228,490	2,917,611
Annuities payable		1,415,658	1,541,411
<b>Total liabilities</b>		<b>15,161,778</b>	<b>16,737,116</b>
<b>NET ASSETS</b>			
Without donor restrictions			
Undesignated		(1,667,763)	(3,643,582)
Designated			
Deficit associated with net pension obligation		(7,898,196)	(9,615,932)
Funds held in missionary accounts		30,356,063	30,908,178
Investment in property and equipment		8,123,809	8,072,946
Operational contingency reserves		7,500,000	7,500,000
Health insurance reserves		1,400,751	1,267,450
Donor-advised funds		557,639	515,620
Total designated		40,040,066	38,648,262
Total without donor restrictions		38,372,303	35,004,680
With donor restrictions			
		24,011,840	21,911,722
<b>Total net assets</b>		<b>62,384,143</b>	<b>56,916,402</b>
<b>Total liabilities and net assets</b>	<b>\$</b>	<b>77,545,921</b>	<b>\$ 73,653,518</b>

The Accompanying Notes are an Integral  
Part of These Consolidated Financial Statements

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF ACTIVITIES

	For The Years Ended	
	December 31,	
	<u>2023</u>	<u>2022</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Public support and revenue		
Contributions	\$ 51,222,184	\$ 50,579,799
Investment income (loss), net	5,742,329	(7,680,036)
Other income	1,791,384	1,635,705
Change in value of trusts and charitable gift annuities	<u>(560,592)</u>	<u>6,153</u>
Total public support and revenue	58,195,305	44,541,621
Net assets released from restrictions	<u>6,553,718</u>	<u>9,170,594</u>
Total public support and revenue and net assets released from restrictions	<u>64,749,023</u>	<u>53,712,215</u>
Expenses		
Program activities	<u>52,376,262</u>	<u>50,643,128</u>
Supporting activities		
Management and general	6,599,134	6,447,724
Fundraising	<u>5,519,629</u>	<u>4,764,923</u>
Total supporting activities	<u>12,118,763</u>	<u>11,212,647</u>
Total expenses	<u>64,495,025</u>	<u>61,855,775</u>
<b>Change in net assets without donor restrictions before other changes</b>	<b>253,998</b>	<b>(8,143,560)</b>
Pension liability adjustment	2,676,105	5,587,300
Gain on sales of property	<u>437,520</u>	<u>1,250,000</u>
<b>Change in net assets without donor restrictions</b>	<b><u>3,367,623</u></b>	<b><u>(1,306,260)</u></b>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	8,565,841	10,058,010
Change in beneficial interest in trust	—	462,271
Investment income (loss), net	145,324	(508,478)
Change in value of trusts and charitable gift annuities	(57,329)	360,340
Net assets released from restrictions	<u>(6,553,718)</u>	<u>(9,170,594)</u>
<b>Change in net assets with donor restrictions</b>	<b><u>2,100,118</u></b>	<b><u>1,201,549</u></b>
<b>CHANGE IN NET ASSETS</b>	<b>5,467,741</b>	<b>(104,711)</b>
<b>NET ASSETS - Beginning of year</b>	<b><u>56,916,402</u></b>	<b><u>57,021,113</u></b>
<b>NET ASSETS - End of year</b>	<b><u>\$ 62,384,143</u></b>	<b><u>\$ 56,916,402</u></b>

The Accompanying Notes are an Integral  
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**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For The Years Ended	
	December 31,	
	2023	2022
<b>OPERATING CASH FLOWS</b>		
Cash received from contributors	\$ 59,004,383	\$ 60,637,809
Other income received	1,791,384	1,635,705
Investment income	1,515,063	1,107,366
Cash paid for operating activities and costs	(63,280,566)	(59,582,447)
<b>Net operating cash flows</b>	<b>(969,736)</b>	<b>3,798,433</b>
<b>INVESTING CASH FLOWS</b>		
Net purchases of investments	(2,574,660)	(1,708,781)
Net proceeds from sales of property	437,520	1,250,000
Purchases of and improvements to property and equipment	(1,015,878)	(951,764)
<b>Net investing cash flows</b>	<b>(3,153,018)</b>	<b>(1,410,545)</b>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS, DESIGNATED CASH, AND RESTRICTED CASH</b>	<b>(4,122,754)</b>	<b>2,387,888</b>
<b>CASH, CASH EQUIVALENTS, DESIGNATED CASH, AND RESTRICTED CASH - Beginning of year</b>	<b>9,555,348</b>	<b>7,167,460</b>
<b>CASH, CASH EQUIVALENTS, DESIGNATED CASH, AND RESTRICTED CASH - End of year</b>	<b>\$ 5,432,594</b>	<b>\$ 9,555,348</b>
<b>REPORTED IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS FOLLOWS</b>		
Cash and cash equivalents	\$ 3,509,598	\$ 7,415,911
Cash designated for health insurance reserves	1,400,751	1,267,450
Cash restricted for long-term purposes	522,245	871,987
<b>Total cash, cash equivalents, designated cash, and restricted cash</b>	<b>\$ 5,432,594</b>	<b>\$ 9,555,348</b>

The Accompanying Notes are an Integral  
Part of These Consolidated Financial Statements

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
For The Year Ended December 31, 2023

	Program Activities	Supporting Activities		Total Supporting Activities	Total Expenses
		Management and General	Fundraising		
Wages and benefits	\$ 29,759,158	\$ 3,446,029	\$ 3,403,310	\$ 6,849,339	\$ 36,608,497
General ministry expense	7,140,160	168,407	274,059	442,466	7,582,626
Grants	5,894,994	308,200	335,804	644,004	6,538,998
Travel	3,354,288	766,553	647,001	1,413,554	4,767,842
Office and supplies	2,315,661	767,120	237,724	1,004,844	3,320,505
Non-capitalized project expenditures	1,869,928	4,150	24,464	28,614	1,898,542
Vehicles and aircraft	1,087,775	—	271,944	271,944	1,359,719
Facilities management	719,247	449,248	14,814	464,062	1,183,309
Professional fees	151,310	269,863	238,152	508,015	659,325
Service fees	18,991	388,367	764	389,131	408,122
Public relations	64,750	31,197	71,593	102,790	167,540
<b>Total expenses</b>	<b>\$ 52,376,262</b>	<b>\$ 6,599,134</b>	<b>\$ 5,519,629</b>	<b>\$ 12,118,763</b>	<b>\$ 64,495,025</b>

For The Year Ended December 31, 2022

	Program Activities	Supporting Activities		Total Supporting Activities	Total Expenses
		Management and General	Fundraising		
Wages and benefits	\$ 28,372,160	\$ 3,190,370	\$ 3,100,892	\$ 6,291,262	\$ 34,663,422
General ministry	7,616,099	177,256	305,108	482,364	8,098,463
Grants	5,031,509	244,762	224,959	469,721	5,501,230
Travel	3,580,205	586,843	570,506	1,157,349	4,737,554
Office and supplies	2,450,707	916,647	207,594	1,124,241	3,574,948
Non-capitalized project expenditures	1,346,505	6,325	28,571	34,896	1,381,401
Facilities management	742,940	619,306	13,034	632,340	1,375,280
Vehicles and aircraft	991,054	—	247,763	247,763	1,238,817
Professional fees	358,590	340,956	53,326	394,282	752,872
Service fees	688	292,909	8	292,917	293,605
Public relations	152,671	72,350	13,162	85,512	238,183
<b>Total expenses</b>	<b>\$ 50,643,128</b>	<b>\$ 6,447,724</b>	<b>\$ 4,764,923</b>	<b>\$ 11,212,647</b>	<b>\$ 61,855,775</b>

The Accompanying Notes are an Integral  
Part of These Consolidated Financial Statements

# **ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

## **D/B/A ABWE INTERNATIONAL**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

#### **NOTE A – NATURE OF ACTIVITIES**

Association of Baptists for World Evangelism, Inc. d/b/a ABWE International (“ABWE”) is a not-for-profit New Jersey corporation established in 1971 to operate exclusively as a worldwide Christian missionary organization in the proclamation and spread of the gospel of the Lord Jesus Christ, as revealed in God’s Word, the Bible, and to engage in such other religious, charitable, and educational activities as shall be necessary, incidental, or appropriate to the foregoing, including but not limited to evangelism, teaching, medical services, and assisting in the establishment of indigenous and autonomous Baptist churches. ABWE also serves as the trustee and plan sponsor of the ABWE Missionary Retirement Plan and the ABWE Staff Retirement Plan (“the Retirement Plans”).

In conformity with accounting principles generally accepted in the United States of America (“GAAP”), the consolidated financial statements of ABWE include the accounts of the following organizations, which are separate legal entities. All significant inter-organization accounts and transactions have been eliminated in consolidation.

- ABWE Foundation, LLC (“the Foundation”) is a Pennsylvania limited liability company whose purpose is to solicit, hold, invest, and administer funds for the benefit of ABWE. ABWE is the sole voting member of the Foundation.
- Global Neighbors, LLC (“Global Neighbors”) is a Pennsylvania limited liability company that supports ABWE by employing workers serving in certain foreign countries. ABWE is the sole voting member of Global Neighbors.

References to “ABWE” in these footnotes include each of the organizations described above.

#### **NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Revenue and support**

ABWE recognizes cash contributions as revenue when the contributions are received by ABWE. Contributions are recorded as without or with donor restrictions, depending on the existence and/or nature of any donor restrictions or time restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as “net assets released from restrictions.”

All contributions are received as donations to ABWE and not to specific individuals. Contributions which donors request to be used to support the ministry activities of specific missionaries are under the full control of ABWE. ABWE accounts for such contributions as board designated until they are expended for appropriate ministry purposes.

##### **Cash and cash equivalents**

Investments purchased or donated with original maturities of three months or less are considered to be cash equivalents.

##### **Cash designated for health insurance reserves**

Cash designated for health insurance reserves consists of cash set aside for future claims related to self-funded components of ABWE’s health insurance plans.

##### **Cash restricted for long-term purposes**

Cash restricted for long-term purposes consists of amounts held for future building projects and a certain endowment for which the income is restricted for cemetery maintenance.



**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Split-interest gifts**

For irrevocable split-interest arrangements such as charitable gift annuities, charitable remainder trusts, and similar arrangements in which the Foundation is a trustee or custodian, the assets of such arrangements are reflected in the consolidated financial statements as further described in Note E. The carrying values of such investments conform to GAAP, which generally require that investment securities be carried at estimated fair value at all times and that other assets be carried at the estimated fair value of the assets on the date the assets are contributed, unadjusted for subsequent changes in value. Also, for arrangements in which the Foundation is a trustee or custodian, a liability is recognized for the estimated present value of benefits payable to other beneficiaries. For split-interest arrangements in which the Foundation is not the trustee or custodian, the Foundation recognizes an asset for the estimated present value of the Foundation's benefits under the arrangements. For all irrevocable split-interest arrangements, regardless of whether or not the Foundation acts as trustee or custodian, contribution revenue without or with donor restrictions is recognized for the estimated present value of the Foundation's benefits under each such arrangement in the year the arrangement is established or in the year in which the Foundation is provided sufficient information about the existence and nature of the arrangement. Periodic adjustments are made for changes in estimated present values using applicable mortality tables and appropriate discount rates. State law imposes certain restrictions on the manner in which charitable gift annuity assets may be invested.

**Property and equipment**

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

**Donor-advised funds**

The Foundation administers various donor-advised funds. Donor gifts to such funds are made irrevocably with the understanding that while the donor retains an advisory role in the distribution of funds, the Foundation retains ultimate control over the use of the funds. Accordingly, such gifts are reflected as contributions without donor restrictions and designated net assets in the accompanying consolidated financial statements.

**Net assets**

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. From time to time, the Board may designate a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. The Board has designated a portion of net assets without donor restrictions for missionary accounts, investment in property and equipment, operational contingency reserves, health insurance reserves, and donor-advised funds. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

**Functional allocation of expenses**

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time.

**Income taxes**

Association of Baptists for World Evangelism, Inc. d/b/a ABWE International is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to state law and is further classified as a public charity and not a private foundation for federal tax purposes. The Foundation and Global Neighbors are considered disregarded entities for income tax purposes. None of the organizations have incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying consolidated financial statements.

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of estimates**

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these consolidated financial statements include those used in estimating the fair value of investments, the useful lives of property and equipment, the accrued pension liability, and the liabilities for trusts and annuities. Actual results could differ from the estimates.

**Subsequent events**

ABWE has evaluated for possible financial reporting and disclosure of subsequent events through the date of the report of independent auditor, the date as of which the consolidated financial statements were available to be issued.

**NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available for general expenditure within one year of the date of the consolidated statements of financial position are as follows:

	December 31,	
	2023	2022
Cash and cash equivalents	\$ 3,509,598	\$ 7,415,911
Cash designated for health insurance reserves	1,400,751	1,267,450
Cash restricted for long-term purposes	522,245	871,987
Investments	57,822,645	50,875,395
Investments held in trust	4,029,558	3,641,112
Total financial assets available within one year	67,284,797	64,071,855
Less amounts unavailable for general expenditure within one year due to:		
Donor-imposed restrictions	(23,210,772)	(21,188,221)
Board designations	(9,458,390)	(9,283,070)
Amounts held as trustee for revocable and irrevocable trusts	(4,029,558)	(3,641,112)
Amounts held to satisfy charitable gift annuity obligations	(3,909,711)	(3,770,330)
Net financial assets available within one year	\$ 26,676,366	\$ 26,189,122

ABWE is primarily supported by contributions. As part of ABWE’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board of Directors has designated certain amounts for operational contingency reserves, health insurance reserves, and donor-advised funds. Because of the designations, those amounts are not available for general expenditure within one year; however, the Board of Directors could make them available if necessary. The Board has also designated certain amounts for missionary accounts which are available for general expenditure within the next year.

ABWE has certain donor restricted net assets limited to use for donor-restricted purposes. Because a donor’s restriction requires resources to be used in a specific manner or in a future period, ABWE must maintain sufficient resources to meet its responsibilities to its donors. Thus, those financial assets may not be available for general expenditure within one year of December 31, 2023 and 2022, and are excluded from net financial assets available to meet general expenditures within one year. Management believes ABWE has sufficient investments available for general operations that may be drawn upon in the event of an unanticipated financial distress or an immediate liquidity need.

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE D – CONCENTRATION OF CREDIT RISK**

ABWE maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits or may be insured by an entity other than an agency of the federal government. ABWE has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

**NOTE E – INVESTMENTS**

ABWE holds investments of various types, both as trustee or custodian and as owner. Investments are carried at estimated fair value. Investments were held for the following purposes or activities:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Investments held as trustee or in a similar capacity</u>		
• Investments held to satisfy charitable gift annuity obligations	\$ 3,909,711	\$ 3,770,330
• Investments held as trustee for irrevocable trusts	3,151,710	2,443,956
• Investments held as trustee for revocable trusts	877,848	1,197,156
 <u>Investments held for other purposes</u>		
• Investments held for general operations	30,666,768	26,273,213
• Investments held for donor restricted purposes	22,688,527	20,316,232
• Investments held for donor-advised funds	<u>557,639</u>	<u>515,620</u>
 Total investments	 <u>\$ 61,852,203</u>	 <u>\$ 54,516,507</u>

Investments (including investments held in trust) consisted of the following:

	<u>December 31,</u>	
<u>Category</u>	<u>2023</u>	<u>2022</u>
Money market and similar funds	\$ 3,663,540	\$ 3,530,905
Mutual funds	23,154,816	20,992,671
Common and preferred stocks	20,702,503	17,226,469
Government securities	13,634,139	12,124,426
Nonpublicly traded investments	366,358	488,818
Corporate bonds	283,840	133,790
Debt securities	<u>47,007</u>	<u>19,428</u>
 Total investments	 <u>\$ 61,852,203</u>	 <u>\$ 54,516,507</u>

**NOTE F – INVESTMENTS HELD IN TRUST**

Investments held in trust consisted of the following:

	<u>December 31,</u>	
<u>Category</u>	<u>2023</u>	<u>2022</u>
Investments held for irrevocable trusts	\$ 3,151,710	\$ 2,443,956
Investments held for revocable trusts	<u>877,848</u>	<u>1,197,156</u>
 Total investments held in trust	 <u>\$ 4,029,558</u>	 <u>\$ 3,641,112</u>

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE F – INVESTMENTS HELD IN TRUST (Continued)**

Liabilities and net assets held in trust consisted of the following:

Category	December 31,	
	2023	2022
Irrevocable charitable beneficiary liabilities	\$ 2,350,642	\$ 1,720,453
Revocable charitable beneficiary liabilities	877,848	1,197,158
Total liabilities	3,228,490	2,917,611
Net assets with donor restrictions for irrevocable charitable remainder trusts	801,068	723,501
Total investments held in trust	\$ 4,029,558	\$ 3,641,112

**NOTE G – FAIR VALUE MEASUREMENTS**

GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of “inputs” an organization may use in determining or estimating fair value. The inputs are categorized into “levels” that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments.

In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of each of the three levels of input within the fair value hierarchy:

Level 1 – Unadjusted quoted market prices in active markets for identical items

Level 2 – Other significant observable inputs, such as quoted prices for similar items. Liabilities for trusts and annuities are based on estimated present value, applying certain assumptions regarding interest rates and life expectancies.

Level 3 – Significant unobservable inputs

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE G – FAIR VALUE MEASUREMENTS (Continued)**

The estimated fair value of certain assets (liabilities) measured on a recurring basis at December 31, 2023 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 23,154,816	\$ 23,154,816	\$ —	\$ —
Common and preferred stocks	20,702,503	20,702,503	—	—
Government securities	13,634,139	13,634,139	—	—
Nonpublicly traded investments	366,358	—	—	366,358
Corporate bonds	283,840	283,840	—	—
Debt securities	<u>47,007</u>	<u>47,007</u>	<u>—</u>	<u>—</u>
Total	<u>\$ 58,188,663</u>	<u>\$ 57,822,305</u>	<u>\$ —</u>	<u>\$ 366,358</u>
Liabilities for trusts	\$ (3,228,490)	\$ —	\$ (3,228,490)	\$ —
Liabilities for gift annuities	<u>(1,415,658)</u>	<u>—</u>	<u>(1,415,658)</u>	<u>—</u>
Total	<u>\$ (4,644,148)</u>	<u>\$ —</u>	<u>\$ (4,644,148)</u>	<u>\$ —</u>

The estimated fair value of certain assets (liabilities) measured on a recurring basis at December 31, 2022 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 20,992,671	\$ 20,992,671	\$ —	\$ —
Common and preferred stocks	17,226,469	17,226,469	—	—
Government securities	12,124,426	12,124,426	—	—
Nonpublicly traded investments	488,818	—	—	488,818
Corporate bonds	133,790	133,790	—	—
Debt securities	<u>19,428</u>	<u>19,428</u>	<u>—</u>	<u>—</u>
Total	<u>\$ 50,985,602</u>	<u>\$ 50,496,784</u>	<u>\$ —</u>	<u>\$ 488,818</u>
Liabilities for trusts	\$ (2,917,611)	\$ —	\$ (2,917,611)	\$ —
Liabilities for gift annuities	<u>(1,541,411)</u>	<u>—</u>	<u>(1,541,411)</u>	<u>—</u>
Total	<u>\$ (4,459,022)</u>	<u>\$ —</u>	<u>\$ (4,459,022)</u>	<u>\$ —</u>

Investments in nonpublicly traded investments consist primarily of an interest in a limited partnership, the estimated fair value of which is based on an amount provided by the investee.

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining estimated fair value:

Balance, January 1, 2022	\$ 3,561,336
Change in beneficial interest in trust	462,271
Final distribution of beneficial interest in trust	(3,455,661)
Net loss	<u>(79,128)</u>
Balance, December 31, 2022	<u>\$ 488,818</u>

The activity for Level 3 assets during 2023 was immaterial.

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**NOTE H – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

Category	December 31.	
	2023	2022
Land	\$ 3,047,990	\$ 3,047,990
Buildings and building improvements	7,259,902	6,874,887
Vehicles	6,458,624	6,120,315
Furniture and equipment	2,287,335	2,275,727
Total property and equipment	19,053,851	18,318,919
Less: Accumulated depreciation	(10,930,042)	(10,245,973)
Net property and equipment	\$ 8,123,809	\$ 8,072,946

Depreciation expense was approximately \$965,000 and \$936,000 during 2023 and 2022, respectively.

In connection with its activities, ABWE maintains certain property in foreign countries. ABWE has estimated the historical cost of certain of these properties based upon the property assessments of foreign governments and other information available to management. As of December 31, 2023 and 2022, ABWE held property in foreign countries with carrying values (net of accumulated depreciation) of approximately \$1,144,000 and \$1,147,000, respectively. In addition, at December 31, 2023 and 2022, ABWE missionaries located throughout the world held for the benefit of ABWE vehicles and equipment with carrying values (net of accumulated depreciation) of approximately \$1,632,000 and \$1,685,000, respectively.

ABWE may have interests in other assets, particularly real estate, in foreign jurisdictions that are not reflected in the accompanying consolidated statements of financial position due to political instability in the foreign jurisdiction and/or the lack of documentation clearly indicating ABWE’s rights in the property, if any. Upon receipt of further documentation supporting the existence, ownership, and valuation of such properties, ABWE may recognize an asset related to its rights in these properties in future years.

**NOTE I – DEFINED BENEFIT PLANS**

ABWE is the trustee and plan sponsor for the following defined benefit pension plans:

*ABWE Missionary Retirement Plan* – A noncontributory defined benefit pension plan maintained for the benefit of full-term missionaries who meet certain eligibility requirements. Benefits, which are normally payable upon the attainment of age 65, are based on qualifying years of service and marital status.

*ABWE Staff Retirement Plan* – A noncontributory defined benefit pension plan maintained for the benefit of staff employees with five or more years of credited service. Benefits, which are normally payable upon the attainment of age 65, are based on a certain percentage of average monthly compensation.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE I – DEFINED BENEFIT PLANS (Continued)**

The following information is presented for the plans on a consolidated basis.

	<u>2023</u>	<u>2022</u>
Change in benefit obligation:		
Benefit obligation, January 1	\$ 47,818,628	\$ 61,545,422
Service cost	958,369	1,390,115
Interest cost	2,375,675	1,609,607
Benefits paid	(4,187,334)	(3,800,004)
Change in discount rate assumption	850,965	(12,962,442)
Change in other economic assumptions	—	225,550
Change in demographic assumptions	174,675	(14,835)
Actuarial loss (gain)	<u>107,961</u>	<u>(174,785)</u>
Benefit obligation, December 31	<u>48,098,939</u>	<u>47,818,628</u>
Change in plan assets:		
Estimated fair value of plan assets, January 1	38,202,696	47,732,305
Employer contributions	1,471,327	1,357,283
Benefits paid	(4,187,334)	(3,800,004)
Net gain (loss) on plan assets	<u>4,714,054</u>	<u>(7,086,888)</u>
Estimated fair value of plan assets, December 31	<u>40,200,743</u>	<u>38,202,696</u>
Unfunded status (liability)	<u>\$ (7,898,196)</u>	<u>\$ (9,615,932)</u>
Components of net periodic benefit cost:		
Service cost	\$ 958,369	\$ 1,390,115
Interest cost	2,375,675	1,609,607
Expected return on plan assets	(2,346,066)	(2,968,156)
Amortization of unrecognized prior service cost	7,193	(109,160)
Amortization of unrecognized loss	<u>91,119</u>	<u>275,854</u>
Total net periodic benefit cost recognized	<u>\$ 1,086,290</u>	<u>\$ 198,260</u>

Following are the weighted average assumptions and additional information related to the pension plans:

	<u>2023</u>	<u>2022</u>
<i>Weighted-average assumptions</i>		
Discount rate for ABWE Missionary Retirement Plan	4.95%	5.17%
Discount rate for ABWE Staff Retirement Plan	4.94%	5.16%
Expected return on plan assets	6.50%	6.50%
Rate of compensation increase (for ABWE Staff Retirement Plan only):		
First year	4.00%	6.00%
Following years	4.00%	4.00%
Average remaining service in years for ABWE Missionary Retirement Plan	6.6	6.6
Average remaining service in years for ABWE Staff Retirement Plan	8.1	7.5

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 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE I – DEFINED BENEFIT PLANS (Continued)**

*Selection of assumptions*

The selection of the discount rate assumption reflects an estimate made based on the rates of return on high-quality fixed-income investments currently available and expected to be available during the period to maturity of the pension benefits.

The selection of the expected return on plan assets reflects an estimate from within a reasonable range, based on future long-term asset growth expectations and acknowledging recent return experience.

The selection of the rate of compensation increase for the staff retirement plan reflects an estimate from within a reasonable range, based on both recent salary increases and future expectations.

Expected employer contributions for the year ending December 31, 2024 are approximately \$1,432,000.

Approximate projected benefit payments for the years ending December 31 are as follows:

2024	\$ 6,738,000
2025	\$ 4,390,000
2026	\$ 4,176,000
2027	\$ 3,952,000
2028	\$ 3,855,000
2029 – 2033	\$ 17,411,000

The estimated fair value of plan assets consisted of the following:

Category	December 31,	
	2023	2022
Cash and cash equivalents	\$ 725,930	\$ 1,086,826
Equity securities	27,822,133	19,161,397
Fixed income securities (including fixed income mutual funds)	11,652,680	17,954,473
Total	\$ 40,200,743	\$ 38,202,696

Assets of ABWE's defined benefit plans are invested in portfolios that are designed to generate returns sufficient to meet obligations to beneficiaries at acceptable levels of risk. The overall investment strategy of the defined benefit plans is to achieve a mix of approximately 30% to 80% of investments in equity securities and approximately 20% to 70% of investments in fixed income securities, with a diversification of asset types. For fair value measurement purposes, the plan assets are considered to fall within Level 1 of the fair value hierarchy.

GAAP requires that an employer report the service cost component separately from the other components of net benefit cost. The service cost component is reported in the same lines of the consolidated statements of activities as other compensation costs arising from services rendered by employees during the period and allocated between program, management and general, and fundraising activities accordingly. The other components of net benefit cost and other changes in the pension liability are reported as "pension liability adjustment" in the consolidated statements of activities.



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**NOTE I – DEFINED BENEFIT PLANS (Continued)**

Service costs are included in the consolidated statements of activities as follows:

<u>Category</u>	<u>2023</u>	<u>2022</u>
Program activities	\$ 776,276	\$ 1,134,048
Management and general	93,860	132,633
Fundraising	<u>88,233</u>	<u>123,434</u>
Total service costs	<u>\$ 958,369</u>	<u>\$ 1,390,115</u>

**NOTE J – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were for the following purposes during the year ended December 31, 2023:

	<u>Balance</u> <u>January 1.</u>	<u>Contributions</u>	<u>Releases</u> <u>and Other</u>	<u>Balance</u> <u>December 31.</u>
Missionary projects	\$ 20,204,191	\$ 8,565,841	\$ (6,203,979)	\$ 22,566,053
Irrevocable charitable remainder trusts	723,501	—	77,567	801,068
Future building projects	846,987	—	(349,742)	497,245
Funds held for retired missionary	112,043	—	10,431	122,474
Endowment for cemetery maintenance	<u>25,000</u>	<u>—</u>	<u>—</u>	<u>25,000</u>
Total	<u>\$ 21,911,722</u>	<u>\$ 8,565,841</u>	<u>\$ (6,465,723)</u>	<u>\$ 24,011,840</u>

Net assets with donor restrictions were for the following purposes during the year ended December 31, 2022:

	<u>Balance</u> <u>January 1.</u>	<u>Contributions</u> <u>and Other</u>	<u>Releases</u> <u>and Other</u>	<u>Balance</u> <u>December 31.</u>
Missionary projects	\$ 15,708,101	\$ 10,058,010	\$ (5,561,920)	\$ 20,204,191
Future building projects	1,000,000	—	(153,013)	846,987
Irrevocable charitable remainder trusts	841,598	—	(118,097)	723,501
Funds held for retired missionary	142,084	—	(30,041)	112,043
Endowment for cemetery maintenance	25,000	—	—	25,000
Beneficial interest in trust	<u>2,993,390</u>	<u>462,271</u>	<u>(3,455,661)</u>	<u>—</u>
Total	<u>\$ 20,710,173</u>	<u>\$ 10,520,281</u>	<u>\$ (9,318,732)</u>	<u>\$ 21,911,722</u>

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
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**NOTE K - RETIREMENT PLAN**

ABWE maintains a 403(b) retirement plan (“the Plan”) through GuideStone Financial Resources of the Southern Baptist Convention. Employees are eligible to participate upon meeting the eligibility requirements described in the Plan document. Eligible employees may make tax-deferred contributions to the Plan. Employer contributions to the Plan are discretionary. During 2023 and 2022, ABWE made employer discretionary contributions to the Plan totaling approximately \$200,000 and \$183,000, respectively.

**SUPPLEMENTAL SCHEDULES**

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**December 31, 2023**

**ASSETS**

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,964,340	\$ 474,083	\$ 71,175	\$ —	\$ 3,509,598
Cash designated for health insurance reserves	1,400,751	—	—	—	1,400,751
Cash restricted for long-term purposes	522,245	—	—	—	522,245
Investments	53,232,823	4,589,822	—	—	57,822,645
Investments held in trust	—	4,029,558	—	—	4,029,558
Other assets	2,137,315	—	—	—	2,137,315
Property and equipment, net	8,123,809	—	—	—	8,123,809
<b>Total assets</b>	<b>\$ 68,381,283</b>	<b>\$ 9,093,463</b>	<b>\$ 71,175</b>	<b>\$ —</b>	<b>\$ 77,545,921</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 2,476,400	\$ —	\$ 143,034	\$ —	\$ 2,619,434
Net pension obligation	7,898,196	—	—	—	7,898,196
Trust liabilities	—	3,228,490	—	—	3,228,490
Annuities payable	—	1,415,658	—	—	1,415,658
<b>Total liabilities</b>	<b>10,374,596</b>	<b>4,644,148</b>	<b>143,034</b>	<b>—</b>	<b>15,161,778</b>
<b>NET ASSETS</b>					
Without donor restrictions					
Undesignated	(4,564,039)	2,968,135	(71,859)	—	(1,667,763)
Designated					
Deficit associated with net pension obligation	(7,898,196)	—	—	—	(7,898,196)
Funds held in missionary accounts	30,356,063	—	—	—	30,356,063
Investment in property and equipment	8,123,809	—	—	—	8,123,809
Operational contingency reserves	7,500,000	—	—	—	7,500,000
Health insurance reserves	1,400,751	—	—	—	1,400,751
Donor-advised funds	—	557,639	—	—	557,639
Total designated	39,482,427	557,639	—	—	40,040,066
Total without donor restrictions	34,918,388	3,525,774	(71,859)	—	38,372,303
With donor restrictions	23,088,299	923,541	—	—	24,011,840
<b>Total net assets</b>	<b>58,006,687</b>	<b>4,449,315</b>	<b>(71,859)</b>	<b>—</b>	<b>62,384,143</b>
<b>Total liabilities and net assets</b>	<b>\$ 68,381,283</b>	<b>\$ 9,093,463</b>	<b>\$ 71,175</b>	<b>\$ —</b>	<b>\$ 77,545,921</b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**December 31, 2022**

**ASSETS**

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,411,987	\$ 2,940,390	\$ 63,534	\$ —	\$ 7,415,911
Cash designated for health insurance reserves	1,267,450	—	—	—	1,267,450
Cash restricted for long-term purposes	871,987	—	—	—	871,987
Investments	46,477,401	4,397,994	—	—	50,875,395
Investments held in trust	—	3,641,112	—	—	3,641,112
Other assets	1,508,717	—	—	—	1,508,717
Property and equipment, net	8,072,946	—	—	—	8,072,946
<b>Total assets</b>	<b>\$ 62,610,488</b>	<b>\$ 10,979,496</b>	<b>\$ 63,534</b>	<b>\$ —</b>	<b>\$ 73,653,518</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 2,534,373	\$ —	\$ 127,789	\$ —	\$ 2,662,162
Net pension obligation	9,615,932	—	—	—	9,615,932
Trust liabilities	—	2,917,611	—	—	2,917,611
Annuities payable	—	1,541,411	—	—	1,541,411
<b>Total liabilities</b>	<b>12,150,305</b>	<b>4,459,022</b>	<b>127,789</b>	<b>—</b>	<b>16,737,116</b>
<b>NET ASSETS</b>					
Without donor restrictions					
Undesignated	(8,748,635)	5,169,308	(64,255)	—	(3,643,582)
Designated					
Deficit associated with net pension obligation	(9,615,932)	—	—	—	(9,615,932)
Funds held in missionary accounts	30,908,178	—	—	—	30,908,178
Investment in property and equipment	8,072,946	—	—	—	8,072,946
Operational contingency reserves	7,500,000	—	—	—	7,500,000
Health insurance reserves	1,267,450	—	—	—	1,267,450
Donor-advised funds	—	515,620	—	—	515,620
<b>Total designated</b>	<b>38,132,642</b>	<b>515,620</b>	<b>—</b>	<b>—</b>	<b>38,648,262</b>
<b>Total without donor restrictions</b>	<b>29,384,007</b>	<b>5,684,928</b>	<b>(64,255)</b>	<b>—</b>	<b>35,004,680</b>
With donor restrictions	21,076,176	835,546	—	—	21,911,722
<b>Total net assets</b>	<b>50,460,183</b>	<b>6,520,474</b>	<b>(64,255)</b>	<b>—</b>	<b>56,916,402</b>
<b>Total liabilities and net assets</b>	<b>\$ 62,610,488</b>	<b>\$ 10,979,496</b>	<b>\$ 63,534</b>	<b>\$ —</b>	<b>\$ 73,653,518</b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
For The Year Ended December 31, 2023

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Public support and revenue					
Contributions	\$ 51,222,184	\$ —	\$ —	\$ —	\$ 51,222,184
Investment income, net	5,342,369	399,960	—	—	5,742,329
Other income	2,129,783	—	—	(338,399)	1,791,384
Change in value of trusts and charitable gift annuities	—	(560,592)	—	—	(560,592)
Intercompany grants	<u>1,783,679</u>	<u>—</u>	<u>2,842,627</u>	<u>(4,626,306)</u>	<u>—</u>
Total public support and revenue	60,478,015	(160,632)	2,842,627	(4,964,705)	58,195,305
Net assets released from restrictions	<u>6,553,718</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>6,553,718</u>
Total public support and revenue and net assets released from restrictions	<u>67,031,733</u>	<u>(160,632)</u>	<u>2,842,627</u>	<u>(4,964,705)</u>	<u>64,749,023</u>
Expenses					
Program activities	<u>52,155,718</u>	<u>1,585,415</u>	<u>2,307,747</u>	<u>(3,672,618)</u>	<u>52,376,262</u>
Supporting activities					
Management and general	6,938,740	228,477	284,400	(852,483)	6,599,134
Fundraising	<u>5,516,519</u>	<u>184,630</u>	<u>258,084</u>	<u>(439,604)</u>	<u>5,519,629</u>
Total supporting activities	<u>12,455,259</u>	<u>413,107</u>	<u>542,484</u>	<u>(1,292,087)</u>	<u>12,118,763</u>
Total expenses	<u>64,610,977</u>	<u>1,998,522</u>	<u>2,850,231</u>	<u>(4,964,705)</u>	<u>64,495,025</u>
<b>Change in net assets without donor restrictions before other changes</b>	<b>2,420,756</b>	<b>(2,159,154)</b>	<b>(7,604)</b>	<b>—</b>	<b>253,998</b>
Pension liability adjustment	2,676,105	—	—	—	2,676,105
Gain on sale of property	<u>437,520</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>437,520</u>
<b>Change in net assets without donor restrictions</b>	<b><u>5,534,381</u></b>	<b><u>(2,159,154)</u></b>	<b><u>(7,604)</u></b>	<b><u>—</u></b>	<b><u>3,367,623</u></b>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	8,565,841	—	—	—	8,565,841
Investment income, net	—	145,324	—	—	145,324
Change in value of trusts and charitable gift annuities	—	(57,329)	—	—	(57,329)
Net assets released from restrictions	<u>(6,553,718)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(6,553,718)</u>
<b>Change in net assets with donor restrictions</b>	<b><u>2,012,123</u></b>	<b><u>87,995</u></b>	<b><u>—</u></b>	<b><u>—</u></b>	<b><u>2,100,118</u></b>
<b>CHANGE IN NET ASSETS</b>	<b>7,546,504</b>	<b>(2,071,159)</b>	<b>(7,604)</b>	<b>—</b>	<b>5,467,741</b>
<b>NET ASSETS - Beginning of year</b>	<b><u>50,460,183</u></b>	<b><u>6,520,474</u></b>	<b><u>(64,255)</u></b>	<b><u>—</u></b>	<b><u>56,916,402</u></b>
<b>NET ASSETS - End of year</b>	<b><u>\$ 58,006,687</u></b>	<b><u>\$ 4,449,315</u></b>	<b><u>\$ (71,859)</u></b>	<b><u>\$ —</u></b>	<b><u>\$ 62,384,143</u></b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

**CONSOLIDATING STATEMENT OF ACTIVITIES**

For The Year Ended December 31, 2022

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Public support and revenue					
Contributions	\$ 50,579,799	\$ —	\$ —	\$ —	\$ 50,579,799
Investment loss, net	(7,346,069)	(333,967)	—	—	(7,680,036)
Other income	1,974,104	—	—	(338,399)	1,635,705
Change in value of trusts and charitable gift annuities	—	6,153	—	—	6,153
Intercompany grants	3,345,611	—	2,296,559	(5,642,170)	—
Total public support and revenue	48,553,445	(327,814)	2,296,559	(5,980,569)	44,541,621
Net assets released from restrictions	5,714,935	3,455,659	—	—	9,170,594
Total public support and revenue and net assets released from restrictions	54,268,380	3,127,845	2,296,559	(5,980,569)	53,712,215
Expenses					
Program activities	50,505,635	2,818,822	1,809,441	(4,490,770)	50,643,128
Supporting activities					
Management and general	6,723,199	383,273	284,400	(943,148)	6,447,724
Fundraising	4,726,086	340,025	245,463	(546,651)	4,764,923
Total supporting activities	11,449,285	723,298	529,863	(1,489,799)	11,212,647
Total expenses	61,954,920	3,542,120	2,339,304	(5,980,569)	61,855,775
<b>Change in net assets without donor restrictions before other changes</b>	<b>(7,686,540)</b>	<b>(414,275)</b>	<b>(42,745)</b>	—	<b>(8,143,560)</b>
Pension liability adjustment	5,587,300	—	—	—	5,587,300
Gain on sale of property	1,250,000	—	—	—	1,250,000
<b>Change in net assets without donor restrictions</b>	<b>(849,240)</b>	<b>(414,275)</b>	<b>(42,745)</b>	—	<b>(1,306,260)</b>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	10,058,010	—	—	—	10,058,010
Change in beneficial interest in trust	—	462,271	—	—	462,271
Investment loss, net	—	(508,478)	—	—	(508,478)
Change in value of trusts and charitable gift annuities	—	360,340	—	—	360,340
Net assets released from restrictions	(5,714,935)	(3,455,659)	—	—	(9,170,594)
<b>Change in net assets with donor restrictions</b>	<b>4,343,075</b>	<b>(3,141,526)</b>	—	—	<b>1,201,549</b>
<b>CHANGE IN NET ASSETS</b>	<b>3,493,835</b>	<b>(3,555,801)</b>	<b>(42,745)</b>	—	<b>(104,711)</b>
<b>NET ASSETS - Beginning of year</b>	<b>46,966,348</b>	<b>10,076,275</b>	<b>(21,510)</b>	—	<b>57,021,113</b>
<b>NET ASSETS - End of year</b>	<b>\$ 50,460,183</b>	<b>\$ 6,520,474</b>	<b>\$ (64,255)</b>	<b>\$ —</b>	<b>\$ 56,916,402</b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

**NOTE TO CONSOLIDATING STATEMENTS OF FINANCIAL POSITION AND CONSOLIDATING STATEMENTS OF  
ACTIVITIES**

**NOTE 1 – BASIS OF PRESENTATION**

As of December 31, 2023 and 2022, ABWE Foundation, LLC (“the Foundation”) holds nominal title for certain investments on behalf of Association of Baptists for World Evangelism, Inc. (“ABWE”). ABWE is the beneficiary of such investments, and therefore, the assets and related investment activities are included in ABWE’s 2023 and 2022 statements of financial position and activities.

As of December 31, 2023 and 2022, ABWE holds nominal title for certain investments on behalf of the Foundation. The Foundation is the beneficiary of such investments, and therefore, the assets and related investment activities are included in the Foundation’s 2023 and 2022 statements of financial position and activities.